(c) whether it is also a fact that Group of ministers has been formed to look at the proposed legislation; and

(d) if so, the recommendations of the GoM and whether all the recommendations have been accepted?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) The Government intends to enact a legislation for the Special Economic Zones (SEZs) covering all aspects of their establishment, operation and fiscal regime shortly.

(b) There is no proposal for the Central Government to set up any new SEZs. However, SEZs may be set up in the public, private, joint sector or by the State Government. Accordingly, on the basis of proposals received from private sector/State Government, 2 SEZs have been approved for establishment at Navi Mumbai and Kopata (Maha Mumbai) in Maharashtra.

(c) and (d) On the basis of recommendations of the Group of Ministers, a proposal for introduction of a Special Economic Zones Bill in the Parliament has been placed before the Cabinet.

Impact of Patent Legislation on Drug Prices

163. SHRI KARNENDU BHATTACHARJEE: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that new patent regime will have impact on drug prices; and

(b) if so, what is Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) and (b) The existing patent law in the country, which provides for a strong and comprehensive set of safeguards, is fully equipped to deal with issues relating to non-availability of drugs and/or exploitative pricing. It needs to be mentioned that the protective/public interest provisions of the patents law were comprehensively reviewed by the Joint Committee of Parliament, which examined the provisions fo the Patents (Second Amendment) Bill, 1999. The Committee primarily focused on the efficacy of safeguards of public interest and public health concerns. Taking note of the Doha Ministerial Conference of WTO in 2001, the Committee restructured the provisions relating to public interest, compulsory licensing, Government use, na-

tional security and public health and nutrition with a view to enabling an appropriate, timely and efficient response to national and public interest concerns. The recommendations of Committee were accepted in their entirety and the Bill was passed by the Parliament as the Patents (Amendment) Act, 2002. As a result thereof, the existing law effectively balances and calibrates intellectual property protection with public health, national security and public interest concerns. The existing law has effective provisions:

a. To ensure availability of products at reasonable price through compulsory licence. [Section 84]

b. To deal with emergent situations or cases of public non-commercial use. [Section 92]

c. The provision relating to parallel import of patented product for ensuring availability of patented products at cheaper price to the consumers. [Section 107 A(b)]

d. To ensure import of medicines by government. [Section 47 (4)]

e. The Bolar provision pertaining to act of making, constructing, using or selling patented invention merely for the purpose of submission of information to the regulatory authorities before the expiry of term of patent so as to allow swift transition of the patented products into the public domain immediately after the expiry of the term of the patent. This provision specially safeguards the interest of generic manufacturers. [Section 107 A (a)]

f. For acquisition of patent right by government. [Section 102]

g. To enable use of patent for research, experiment and education purpose. [Section 47 (3)]

h. To enable use of invention for the purposes of Government. [Section 100]

i. For revocation of patent for non-working in India. [Section 85]

j. For revocation of patent in public interest. [Section 66]

Majority of the drugs already in Indian market, including those in the National List of Essential Medicines 2003, are off-patent and their pric-

ing/availability would not get affected by the new patent regime. Therapeutic equivalents of the patented medicines are also available generally. Coupled with the pressure from prices of different drugs in the same therapeutic group, the paying capacity of Indian consumer is also expected to keep a check on the prices of patented medicines The new patent regime introduced through the Patents (Amendment) Ordinance, 2004, *inter-alia,* for the pharmaceutical sector in the context of globalization of Indian economy is expected to provide an impetus to growth in research and development and enhancement in the capability of the Indian system to generate and protect the intellectual property.

Problems faced by seafood exporters

164. SHRI B.J. PANDA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that our seafood exporters are facing certain problems as a result of imposition of anti-dumping duty by the US;

(b) if so, the problems in brief faced by our seafood exporters; and

(c) the action taken by the Government to address their problems?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) and (b) As a result of the final anti-dumping margin announced by the United States Government in January, 2005 duty on shrimp import from India, our exporters have to pay the duty margin as follows:

M/s. Devi Sea Foods Ltd.	4.94%
M/s. Nekkanti Seafoods Ltd.	9.71%
M/s. Hindustan Lever Ltd.	15.36%
All Others Rate	10.17%

(c) The Marine Products Export Development Authority and the Seafood Exporters Association of India (SEAI) has been defending the interests of the Indian shrimp industy.